

NOVEMBER 2003 HIGHLIGHTS

The estimated cost of construction authorized by building permits in November was \$863.6 million. Residential work was \$462.2 million (53.5 percent). Nonresidential activity was \$401.4 million (46.5 percent); 523 municipalities reported.

Major Construction Indicators, New Jersey: Eleven-Month Comparison				
Period	Estimated Cost of Construction	Authorized Housing Units	Authorized Office Space (square feet)	Authorized Retail Space (square feet)
January – November 1997	\$7,299,026,068	25,535	10,063,214	4,986,486
January – November 1998	\$8,254,976,688	31,155	10,321,133	6,886,234
January – November 1999	\$9,473,214,662	32,894	10,937,875	5,541,428
January – November 2000	\$9,806,421,395	32,745	12,271,091	5,512,491
January – November 2001	\$11,175,342,745	32,342	17,468,516	6,205,831
January – November 2002	\$11,008,003,164	31,194	8,750,140	6,355,419
January – November 2003	\$10,824,568,427	32,259	8,998,099	5,604,081
<i>Difference Between 2002 and 2003</i>				
2002 - 2003	(\$183,434,737)	1,065	247,959	(751,338)
Percent Change	-1.7%	3.4%	2.8%	-11.8%
Source: N.J. Department of Community Affairs, 1/9/04				

With 11 months of building permit information from local construction offices, the following trends are apparent for 2003:

- This will be another strong year for New Jersey's construction industry. The estimated cost of construction through November is \$10.8 billion, 1.7 percent below last year's pace.
- Big cities are again among the top performers. The City of Newark in Essex County and Jersey City in Hudson County had the most work. The estimated amount of construction in Newark is \$231.6 million. In Jersey City it is \$213 million. Other top cities are: Atlantic City in Atlantic County with \$124.3 million (5th), the City of Hoboken in Hudson County with \$92.1 million (10th), the City of Elizabeth in Union County with \$82.1 million (16th); and the City of New Brunswick in Middlesex County with \$80 million (17th).
- Housing remains key to the industry's strong performance. New Jersey localities authorized 32,259 new dwellings between January and November 2003, 1,065 more than this time last year -- an increase of 3.4 percent. Work on existing homes and new housing construction

amounted to more than \$6 billion through November, 55.8 percent of all activity authorized by building permits.

- Strong housing markets are again evident in big cities. Newark has the most new houses: 1,680 authorized units. Jersey City ranks 2nd with 930. Elizabeth is 5th with 587 units. Hoboken ranks 9th with 471 authorized units.
- Office space is up slightly compared to last year, but down significantly from the record level in 2001.
- Other strong forces in the industry are school construction and “State Buildings,” which include public colleges, universities, and structures built by special authorities like New Jersey Transit and the turnpike authorities. The estimated cost of construction for state buildings reached \$428.5 million through November, more than any single municipality.